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SUBJECT: Short March -- A Cold Shoulder in Shanwei

REF: A) Guangzhou 3991, B) 05 Guangzhou 32000,
-- C) 05 Guangzhou 31940 (all notal)

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1. (SBU) Summary: Consulate Guangzhou's "Short March" to
Eastern Guangdong cities (septel) got off to a non-rousing
start when Shanwei officials found it "inconvenient" to
meet with us. This probably because Shanwei contains the
township of Dongzhou, the site of December 2005 land
compensation protests, which escalated into violence with
police killing between three and 13 villagers in the melee.
Because the Dongzhou unrest was related to Shanwei's much
publicized attempt to turn itself into an energy farm area
for Guangdong, we believe the "inconvenience" of meeting us
reflected the embarrassment potential of having to discuss
this pillar of Shanwei's 11th Five Year Plan against the
backdrop of the inextricably connected civil unrest
killings. End Summary.

Shanwei: Would Have Been Worth Visiting

2. (SBU) For Shanwei, as with every other destination on
the "short march," we had requested meetings to discuss the
prefecture's five year plan with a special focus on
intellectual property rights (IPR) protection. Located
almost halfway between Hong Kong/Shenzhen and eastern
Guangdong's Shantou, Shanwei realized a GDP of RMB 22.45
billion (US\$ 2.81 billion), up 16.1% from the year before,
the highest growth in the last 10 years. This city of 3
million has had its own negative track record of
intellectual property rights (IPR) problems, but it has
also attracted a large amount of foreign and domestic
investment into a strong light goods industry in furniture,
foodstuffs, garments, and electronics. Recently, there has
also been a special emphasis on developing the prefecture's
role as a major energy "farm" for Guangdong utilizing
alternative energy such as wind power in addition to modern
and efficient thermal plants burning coal, oil, and natural
gas.

Inextricably Connected

3. (SBU) In December 2005, riots erupted in the large

township of Dongzhou in Shanwei municipality. On December 6th, 2005, villagers were reportedly protesting the government's failure to pay them adequate compensation for acquiring the land previously occupied by them. The government used the acquired land to build power plants to feed Guangdong's insatiable thirst for more electricity. Disgruntled villagers attacked the power plant construction site with dynamite, molotov cocktails, swords, and pointed sticks. Armed police fired on the rioters, killing at least three. Other reports claim that the police killed up to 13 villagers. A police official was detained in connection with the riots. These riots -- the so-called "12/6 incident" -- have been the subject of a gag order that has essentially stopped discussion by government officials on the subject (reftels).

¶4. (SBU) On the final business day before Congenoffs were scheduled to depart for Shanwei, the Shanwei FAO telephoned congenoffs to say the timing of the planned visit was inconvenient. Local FAO officials stated that due to the simultaneous timing of the Guangdong People's Congress and also because of other planned trips on their part, they would not have time to receive a delegation from the Consulate. Prior to this phone call, the Shanwei FAO had confirmed that the city's vice mayor welcomed Congenoffs' visit and had even scheduled times for appointments. The FAO did say, however, that Shanwei would welcome the visit at a later, more "convenient" date.

¶6. (SBU) To test that proposal, we submitted a follow on request to meet with Shanwei officials later in that month while returning from the Consulate's "Long March" to the heart of Hakka and Minnan country in northeastern Guangdong and southwestern Fujian. Again, we were told that

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officials could not meet with us, but the Shanwei FAO did recommend a place for the Consulate party to spend one night on the way home. The FAO thus "accommodated" us in the rather out of the way county of Haifeng (far distant from Dongzhou and Shanwei's urban district) even though it ultimately could not "convenience" us with some actual meetings.

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